

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

BERKSHIRE GAS COMPANY

D.T.E. 04-47

**ATTORNEY GENERAL'S SECOND SET OF
DOCUMENT AND INFORMATION REQUESTS**

- AG-2-1 Please state the questions asked by Department staff and the answers given by the Company during the Department's unrecorded technical session with the Company held by conference call on Friday, August 20, 2004. Provide as much detail as possible. Include statements and discussions of issues that may not have been the result of direct questioning by the staff. Provide a list of attendees and provide copies of all materials distributed by the attendees.
- AG-2-2 Refer to AG-1-2, Attachment B, the Gas Sales and Purchase Agreement. What is the term of this agreement?
- AG-2-3 For each of the Energy East affiliates that also participate in the BP Optimization arrangement, please describe the ratemaking treatment of the minimum savings and, for each affiliate, the ratemaking treatment of any shared savings.
- AG-2-4 Please provide the calculation of the participating shares for each affiliate as are currently effective and the calculations for the participating shares under the prior agreement. Describe the conditions under which Berkshire's participating share may be changed. If the participating shares have been changed for any reason than to accommodate additional affiliates, please explain the conditions and the results.
- AG-2-5 Please provide a tabulation of all fees, penalties, interest, taxes and other BP incurred costs for which the Company reimbursed or were netted against payments to the Company during the most recent contract year. For each cost category, provide a citation to the agreement that authorizes the reimbursement.
- AG-2-6 Refer to AG-1-2, Attachment A, the 2004 Optimization Agreement, §2.7. Please

explain the basis for the change in this provision.

- AG-2-7 Refer to AG-1-2, Attachment A, the 2004 Optimization Agreement, §2.8. Please explain the basis for the change in this provision. Is the Company responsible for any costs related to the “new centralized trading and reporting system?” If yes, provide the amount and how the Company will treat these costs for ratemaking purposes.
- AG-2-8 Refer to AG-1-2, Attachment A, the 2004 Optimization Agreement, §4.14. Please explain how this provision affects Berkshire’s allocation of Minimum Savings. Is Berkshire affected differently should all the storage variances relate to affiliate storage facilities and not Berkshire’s? If this provision was triggered in prior contract years, please provide the details and how it affected Berkshire’s and each affiliate’s allocation of savings. Include all supporting documentation, calculations, workpapers and assumptions.
- AG-2-9 Refer to AG-1-4, Attachment A. Please provide the documentation and calculations supporting the allocation factors described in the column labeled “Allocation Method.”
- AG-2-10 Refer to AG-1-46. Please explain and quantify the “reduction of gas price volatility” benefit experienced during the prior contract term.
- AG-2-11 Refer to AG-1-58. Please explain, in detail and provide an illustration based on the Company’s most recent peak and off peak CGA filings how the Company proposes to treat all margins (and define margins related to the BP agreement) for ratemaking purposes. Also explain, in detail, and provide an illustration, as above, for the Company’s alternative approach.
- AG-2-12 What is the amount of the aggregated revenues/margins the Company has received from participating in arrangements with BP? What is the amount and over what period has the Company flowed the benefits through to customers. What amount has been retained by the Company under margin sharing precedent? Include all supporting documentation, calculations, workpapers and assumptions.

August 24, 2004